

LOUDOUN COUNTY POVERTY SYMPOSIUM
"CUTTING POVERTY IN HALF"
OCTOBER 24, 2007

Appendix II – Presentation Summary/Handouts

1 Summary Report and 4 Handouts included

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Presentation Summary

(Summary of Presentation by Robert Chirles)

Loudoun County Poverty Forum
Oct 24, 2007

As I was preparing my thoughts for this forum, I noticed a bumper sticker as I was driving on Route 7 (**Poverty is Owning a Horse**) that made me think of the world of contrast that is Loudoun County today and the chasm that exists between the poor and the rest of the community.

Loudoun's economic story speaks to the world of high incomes, expensive housing, great schools, growth in job opportunities, low unemployment (1.9%), and a poverty rate of less than 3%, which may suggest that we have little to be concerned about, that faith based organizations and human services agencies should have less to be concerned about, or even that there is no need for today's forum.

That would be true if we believe that Molly Orshanski's 1963 model of the poverty threshold reflects anything close to the reality of our community 44 years later. In the search for some standard by which to determine poverty, Ms Orshanski, a federal economist, noticed that the US Dept of Agriculture estimated that low income families typically spent 1/3 of their budget on food. She then multiplied the USDA's estimate for a family of 4 (\$1033 per year) by 3 to get \$3100 pre-tax minimum annual income a family needed to get by.

While it's reported that she never intended this to become the cut-off level for a definition of poverty, the federal government gave it official status in 1969 and it was adjusted for inflation over the years to supposedly represent the same purchasing power as 1963 dollars

Recall, also, that 10 years ago, as a nation, we "ended welfare as we know it" but we didn't end poverty as we know it.

While we can be proud that our poverty rate is less than 3%, it's clear that the formula used to arrive at that 1963 threshold does not reflect true economic viability in our in 2007.

And let's not overlook the fact that 3% of 260,000 still represents 8000 of our neighbors, whose number will climb as the county grows, even if the 3% remains constant.

What does that 3% and the surrounding neighborhood mean (by that I mean what it actually takes to live here)?

It means people are hungry, suffer from debilitating physical and/or mental illness, are elderly, frail, alone and frightened, homebound, unemployed, rely on the limited services of Medicaid for healthcare use Food Stamps to feed their family and don't have access to dental care.

Many are working but lack health insurance or access to adequate medical care, can't pay their heating bills, are living on couches, doubled up with friends or family, are at risk of losing their housing, don't have indoor toilets, and some sleep in their vehicles in our parking lots.

They live on the fringe of the economy with a lack of established credit, frequently use payday lenders and check cashing stores, and buy run down cars at exorbitant interest rates.

They cut our grass, work at our fast food counters, look after our children, care for our elderly, build our homes, empty the bedpans, clean our buildings and wash our cars. Many live paycheck to paycheck.

They stock our shelves, check out our groceries, have recently lost jobs and lost their employer provided health insurance, need assistance with an elderly parent or with a child who is uncontrollable, disruptive, delinquent or abused. They may have been abused and threatened themselves by their spouse or partner or are exploited financially by relatives or caretakers.

Poverty is owning a horse!

People from all over Loudoun County, from every community. They are generally a silent constituency, who tend to remain invisible to the larger community, embarrassed and humiliated to be facing economic or personal hardship, often too proud to ask for help.

If you're looking for people in rags as proof that the poor are among us, you will be disappointed. You won't see them at Board of Supervisors' or Town Council meetings. They don't write letters to the editor or send e-mails to their congressman or contact major news outlets about their situation.

But their needs are no less important than those of the vocal activists who demand attention for their causes.

Consider that Loudoun is situated among some of the wealthiest counties in the nation. While a family of four with an income of \$20,000 (\$1660 monthly) may not be considered living in poverty, neither can that family afford the \$1200 rent for a 2 bedroom apartment.

Someone earning minimum wage for an annual salary of \$11,000 cannot make it in Loudoun. Even with 2 full time minimum wage jobs, most housing is out of reach.

While the No. Virginia Area Median Income is \$94,000, 12,600 Loudoun households, including retail, construction and transportation workers, public

employees, such as teachers, policemen, and firefighters, earn 50% of the AMI (\$47,000)

The meteoric climb in Loudoun home prices may have suffered a recent slowdown but a 2006 housing study indicated a shortage of 12,500 housing units affordable to those workers, and the number is climbing.

A study released by Montgomery County a few years ago concluded that a family of 4 in the Washington region needs an income of about \$50,000 to pay for basic expenses. For Loudoun County and the region today, it's estimated at more than \$64,000.

A family of 4 that earns more than \$25,000 does not qualify for Food Stamps, yet more than 1600 families remain on our Food Stamp rolls.

A family of 4 that earns \$36,800 and does not have health insurance cannot enroll their children in the Child Health Insurance Program yet more than 5000 Loudoun families use Medicaid for their health care needs.

That same family cannot earn more than \$35,000 in order to receive daycare assistance and is expected to pay 10% of their income toward that daycare. Yet 400 children are on the daycare waiting list for lack of funds.

There are 700+ families who receive help with Housing Choice rent vouchers yet there are another 900 who were on the waiting list when it was closed.

Our point in time count of homeless people reported 211 people who were homeless on a given night last winter and 44 people on average in shelters each night last year. Another 43 used the emergency cold weather shelter from November thru March.

We have some of the finest healthcare institutions in the world in our area yet last year almost 200 people relied on the dentists who volunteered their time to provide basic dental care, a program which is in jeopardy right now. Another 62 people needed the additional level of care provided at the Northern Virginia Regional Dental Program.

We are home to some of the best known, most competitive businesses in the world, yet about 10% of our community (26,000) are without health insurance and increasingly seek care from the Community Health Center and the Free Clinic.

Few dispute the value of the investment in early childhood education and we are fortunate that there are 100 children in our Head Start Program, yet another 60 are on the waiting list.

We have numerous high end, gourmet food markets in our community, (has anyone not been to Wegman's) yet there were more than 10,000 requests for food from our 2 major food banks last year.

1200 families participated in the Community Holiday Coalition Thanksgiving and Christmas program and the number grows each year.

How many single parents, mostly women, are working two jobs or sometimes depend on public assistance because they have not received the child support that was promised? A recent op ed column mentioned the federal/state child support system where there are 16 million cases and 11 million of those are in arrears. That's a lot of money not provided to kids for shoes, school supplies, haircuts and daycare and a lot of heartache.

Yes, the poverty rate for Loudoun is relatively low but it's the contrast and the enormous chasm between what it takes to live here and be productive and what life is like for those who live in and around that 3% poverty rate that makes this day so important and our goal such a formidable challenge.

We cannot talk about poverty without reference to housing costs, hunger, employment, early childhood education, transportation, health care, child care, child support, living wage, a self-sufficiency standard, race, personal responsibility and, yes, even immigration.

The economy has been good for many of us, but not for all, and today our hope is that, as a community, we will commit ourselves to cutting that 3% in half, if not eliminating it altogether.

Poverty is owning a horse? I don't think so.

Robert Chirles, Director
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